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VILLAGE OF GEORGETOWN  
LOUISIANA

*General Purpose Financial Statements Combining  
And Individual Fund And Account Group  
Statements And Schedules And Supplemental Data*

JUNE 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court

Release Date 1-12-2000

*Village of Georgetown, Louisiana*  
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*June 30, 1999*

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# JOHN R. VERCHER PC

*Certified Public Accountant*

P.O.Box 1608  
Jena, Louisiana 71342  
Tel: (318) 992-6348  
Fax: (318) 992-4374

## ACCOUNTANT'S COMPILATION REPORT ON GENERAL PURPOSE FINANCIAL STATEMENTS

The Honorable David Benard, Mayor  
and Members of the Board of Aldermen  
Georgetown, Louisiana

I have compiled the general purpose financial statements, combining and individual funds, account groups and graphs of the Village of Georgetown, Louisiana, as of and for the year ended June 30, 1999, as listed in the table of contents, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated October 19, 1999, on the results of our agreed-upon procedures.

October 19, 1999  
Jena, Louisiana

*John R. Vercher*

# JOHN R. VERCHER PC

*Certified Public Accountant*

P.O.Box 1608

Jena, Louisiana 71342

Tel: (318) 992-6348

Fax: (318) 992-4374

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable David Benard, Mayor  
and Members of the Board of Aldermen  
Georgetown, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Village of Georgetown, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Georgetown, Louisiana's compliance with certain laws and regulations during the year ended June 30, 1999, included in the accompanying Louisiana attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### ***Public Bid Law***

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

\* I found no such expenditures.

### **Ethics**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

\* Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

\* Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

\* None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

### ***Budgeting***

5. Obtained a copy of the legally adopted budget and all amendments.

\* I obtained a copy of the budget.

6. Trace the budget adoption and amendments to the minute book.

\* The original budget was approved in the minutes.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

- The Village overspent its general fund budget by 53.2% during the year.

- 

### ***Accounting and Reporting***

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

\* I examined supporting documentation for each of the six selected disbursements and found that each payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account;

\* All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

\* Inspection of documentation supporting each of the six selected disbursements indicated approvals from the mayor.

### ***Meetings***

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

\* The Village meets on the third Saturday of each month and publishes its meeting in the official journal.

### ***Debt***

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebted

\* I inspected copies of all bank deposit entries in the books for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

### ***Advances and Bonuses***

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

\* A reading of the minutes of the Village for the year indicated no approval for the kind of payments noted. I also inspected disbursement records for the year and noted no instances that would indicate payments to employees which would constitute bonuses, advances or gifts.

*I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I did not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.*

This report is intended solely for the use of management of Village of Georgetown, Louisiana and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*John R. Vercher*

Jena, Louisiana  
October 19, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS**

*(COMBINED STATEMENTS - OVERVIEW)*

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 1999**

	Governmental Fund Types		Proprietary Fund Types Enterprise Fund	Account Groups		Total (Memorandum Only)
	General Fund	Debt Service		General Fixed Assets	General Long-Term Debt	
<b>ASSETS</b>						
Cash	\$ 13,617	\$ -0-	\$ 3,426	\$ -0-	\$ -0-	\$ 17,043
Receivables	2,033	-0-	6,180	-0-	-0-	8,213
Restricted Assets:						
Cash	-0-	-0-	8,179	-0-	-0-	8,179
Amount Available In Debt Service For Debt Requirement	-0-	-0-	-0-	-0-	-0-	-0-
Amount To Be Provided For Retirement Of General Long-Term Debt	-0-	-0-	-0-	-0-	53,183	53,183
Plant & Equipment	-0-	-0-	2,251,256	81,899	-0-	2,333,155
Accumulated Depreciation	-0-	-0-	(453,935)	-0-	-0-	(453,935)
<b>TOTAL ASSETS</b>	<b>\$ 15,650</b>	<b>\$ -0-</b>	<b>\$ 1,815,106</b>	<b>\$ 81,899</b>	<b>\$ 53,183</b>	<b>\$ 1,965,838</b>
<b>LIABILITIES &amp; FUND EQUITY</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 3,701	\$ -0-	\$ 1,333	\$ -0-	\$ -0-	\$ 5,034
Overdrafts	-0-	-0-	1,332	-0-	-0-	1,332
Payable From Restricted Assets	-0-	-0-	802	-0-	-0-	802
Customers' Deposit	-0-	-0-	8,036	-0-	-0-	8,036
Long Term Payables:						
Bonds Payable	-0-	-0-	32,000	-0-	18,641	50,641
	-0-	-0-	-0-	-0-	34,542	34,542
<b>TOTAL LIABILITIES</b>	<b>\$ 3,701</b>	<b>\$ -0-</b>	<b>\$ 43,503</b>	<b>\$ -0-</b>	<b>\$ 53,183</b>	<b>\$ 100,387</b>
<b>Fund Equity</b>						
Contributed Capital	\$ -0-	\$ -0-	\$ 2,113,176	\$ -0-	\$ -0-	\$ 2,113,176
Retained Earnings:						
Unreserved	-0-	-0-	(346,036)	-0-	-0-	(346,036)
Reserved	-0-	-0-	4,463	-0-	-0-	4,463
Investment in Gen. Fixed Assets	-0-	-0-	-0-	81,899	-0-	81,899
Unreserved - Undesignated	11,949	-0-	-0-	-0-	-0-	11,949
<b>TOTAL FUND EQUITY</b>	<b>\$ 11,949</b>	<b>\$ -0-</b>	<b>\$ 1,771,603</b>	<b>\$ 81,899</b>	<b>\$ -0-</b>	<b>\$ 1,865,451</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 15,650</b>	<b>\$ -0-</b>	<b>\$ 1,815,106</b>	<b>\$ 81,899</b>	<b>\$ 53,183</b>	<b>\$ 1,965,838</b>

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL TYPES**  
**YEAR ENDED JUNE 30, 1999**

	General Fund	Debt Service Funds	Totals (Memorandum Only)
<b>REVENUES:</b>			
Taxes - Ad Valorem	\$ 4,290	\$ 4,240	\$ 8,530
Occupational Licenses	8,742	-0-	8,742
Tobacco Tax	1,476	-0-	1,476
Franchise Fees	4,605	-0-	4,605
Intergovernmental - Grants	7,908	-0-	7,908
Miscellaneous	1,577	-0-	1,577
Fines	94,824	-0-	94,824
Court Services	22,832	-0-	22,832
Road Maintenance Income	8,934	-0-	8,934
<b>TOTAL REVENUES</b>	<b>\$ 155,188</b>	<b>\$ 4,240</b>	<b>\$ 159,428</b>
<b>EXPENDITURES:</b>			
Administration	\$ 66,977	\$ -0-	\$ 66,977
Police Expense	33,258	-0-	33,258
Office Expense	3,594	-0-	3,594
Insurance	9,021	-0-	9,021
Complex Expense	6,205	-0-	6,205
Utilities	10,265	-0-	10,265
Professional Fees	3,188	-0-	3,188
Repairs & Maintenance & Supplies	9,601	-0-	9,601
Other Operating Expense	3,560	-0-	3,560
Advertising	520	-0-	520
Road Maintenance	1,191	-0-	1,191
Administration	-0-	-0-	-0-
Public Works	-0-	-0-	-0-
<i>Debt Service:</i>			
Principle Retirement	-0-	1,000	1,000
Interest & Fiscal Charges	-0-	1,232	1,232
<b>TOTAL EXPENDITURES</b>	<b>\$ 147,380</b>	<b>\$ 2,232</b>	<b>\$ 149,612</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 7,808</b>	<b>\$ 2,008</b>	<b>\$ 9,816</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers Out	\$ (1,681)	\$ (4,240)	\$ (5,921)
Operating Transfers In	4,240	2,232	6,472
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 2,559</b>	<b>\$ (2,008)</b>	<b>\$ 551</b>
<b>EXCESS (DEFICIT) OF REVENUE &amp; OTHER SOURCES OVER EXPENDITURES &amp; OTHER</b>	<b>\$ 10,367</b>	<b>\$ -0-</b>	<b>\$ 10,367</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>1,582</b>	<b>-0-</b>	<b>1,582</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 11,949</b>	<b>\$ -0-</b>	<b>\$ 11,949</b>

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Taxes – Ad Valorem	\$ 5,126	\$ 4,290	\$ (836)
Occupational Licenses	12,184	8,742	(3,442)
Tobacco Tax	2,396	1,476	(920)
Franchise Fees	3,262	4,605	1,343
Miscellaneous Revenue	1,936	1,577	(359)
Fines	72,005	94,824	22,819
Road Maintenance	7,529	8,934	1,405
Grants	-0-	22,832	22,832
Court Services	-0-	7,908	7,908
<b>TOTAL REVENUES</b>	<u>\$ 104,438</u>	<u>\$ 155,188</u>	<u>\$ 50,750</u>
<b>EXPENDITURES:</b>			
Salaries & Benefits	\$ 52,184	\$ 66,977	\$ (14,793)
Police Expense	12,275	33,258	(20,983)
Office Expense	1,672	3,594	(1,922)
Insurance	8,274	9,021	(747)
Truck Expense	687	-0-	687
Utilities	9,020	10,265	(1,245)
Professional Fees	3,866	3,188	678
Town Hall Renovations	1,251	-0-	1,251
Repairs & Maintenance	880	9,601	(8,721)
Other Operating Expense	3,604	2,801	803
Christmas Fund Expense	496	759	(263)
Road Maintenance	1,498	1,191	307
Advertising	525	520	5
Complex Expense	-0-	6,205	(6,205)
<b>TOTAL EXPENDITURES</b>	<u>\$ 96,232</u>	<u>\$ 147,380</u>	<u>\$ (51,148)</u>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 8,206</u>	<u>\$ 7,808</u>	<u>\$ (398)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In	\$ 2,108	\$ (2,559)	\$ 451
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>\$ 2,108</u>	<u>\$ (2,559)</u>	<u>\$ 451</u>
<b>EXCESS (DEFICIT) OF REVENUE &amp; OTHER SOURCES OVER EXPENDITURES &amp; OTHER</b>	<u>\$ 10,314</u>	<u>\$ 10,367</u>	<u>\$ 53</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>-0-</u>	<u>1,582</u>	<u>1,582</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 10,314</u>	<u>\$ 11,949</u>	<u>\$ 1,635</u>

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS  
 ALL PROPRIETARY FUND TYPES  
 ENTERPRISE FUNDS  
 YEAR ENDED JUNE 30, 1999**

<b>OPERATING REVENUES:</b>	
Charge For Service	\$ 53,793
Tax	12,036
Other Miscellaneous	4,036
	-----
<b>TOTAL OPEERATING REVENUES</b>	<b>\$ 69,865</b>
	-----
<b>OPERATING EXPENSES:</b>	
Office Supplies	\$ 451
Labor	29,776
Depreciation	56,277
Repairs/Maintenance and Supplies	23,467
Utilities	13,734
Other Operating Expense	3,315
	-----
<b>TOTAL EXPENDITURES</b>	<b>\$ 127,020</b>
	-----
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (57,155)</b>
	-----
<b>NON-OPERATING REVENUE (ESPENSES):</b>	
Interest Income	\$ 36
Interest Expense	(1,650)
	-----
<b>TOTAL NON-OPERATING REVNEUS (EXPENSE)</b>	<b>\$ (1,614)</b>
	-----
<b>NET INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>\$ (58,769)</b>
	-----
Net Transfers From/To Other Funds	\$ (551)
	-----
<b>NET INCOME (LOSS)</b>	<b>\$ (59,320)</b>
	-----
<b>RETAINED EARNINGS (DEFICIT), BEGINNING</b>	<b>(282,253)</b>
	-----
<b>RETAINED EARNINGS (DEFICIT), ENDING</b>	<b>\$ (341,573)</b>
	-----

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL PROPRIETARY FUND TYPES  
 ENTERPRISE FUND  
 YEAR ENDED JUNE 30, 1999**

<b>Cash from Operations:</b>		
Income (Loss) Before Operating Transfers		\$ (58,769)
Operating Transfers		(551)
		(59,320)
<b>Net Income (Loss)</b>		<b>\$ (59,320)</b>
<b>Adjustments to Net income (Loss):</b>		
Add - Depreciation	\$ 56,277	
Decrease In Accrued Expenses	(50)	
Decrease (Increase) In Accounts Receivable	(68)	
Increase (Decrease) In Accounts Payable	296	
		56,455
<b>Net Adjustments</b>		<b>56,455</b>
Cash Provided by Operations		\$ (2,865)
Cash from Customer Deposits		9,665
		6,800
<b>Total Cash Provided</b>		<b>\$ 6,800</b>
<b>Cash Was Applied To:</b>		
Restricted Funds	\$ 1	
Revenue Bonds	2,000	
		2,001
<b>Total Cash Applied</b>		<b>\$ 2,001</b>
Net Increase (Decrease) in Cash Flow		\$ 4,799
<b>Cash Beginning of Year</b>		<b>(2,705)</b>
<b>Cash End of Year</b>		<b>\$ 2,094</b>

"See Accompanying Notes and Accountant's Report"

**NOTES TO THE FINANCIAL  
STATEMENTS**

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-**

The Village of Georgetown was incorporated under the Lawrason Act and the Village operates under the Mayor-Board of Alderman form of government. The Village provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with Parish, State and Federal governing bodies.

The accounting policies of the Village of Georgetown conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

This report includes all funds and the account group which are controlled by or dependent on the Village's executive and legislative branches (the Mayor and Board of Alderman). Control by or dependence on the Village was determined on the basis of adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

**B. Fund Accounting**

The accounts of the Village of Georgetown are organized on the basis of funds and on account groups, each of which is considered a separate accounting entity. The various funds and account groups are reported by generic fund type in the financial statements. Each fund operates with a group of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund categories, fund types and account groups are used by the Village:

**GOVERNMENTAL FUND TYPES**

***General Fund***

The General Fund is the general operating fund of the Village and is used to account for all financial resources except for those required to be accounted for in another fund.

***Special Revenue Fund***

Special revenue fund accounts are for funds collected and dedicated for a specific purpose or activity.

***Debt Service Funds***

The Debt Service Funds are used to account for the accumulation of resources to pay general long-term debt principal, interest, and related costs. The Debt Service is comprised of the accounts to service the Village's Public Improvement Bonds.

VILLAGE OF GEORGETOWN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONT.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT.)

B. Fund Accounting - (Cont.)

**PROPRIETARY FUND TYPES**

*Enterprise Fund*

The Enterprise Funds are used to account for operations (a) that are financed and operated similar to private business enterprises whereby the intent of the governing body is that the costs, including depreciation, of providing goods or services to the general public be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Village's Enterprise Funds are comprised of its Utility Department's water and sewer systems.

**ACCOUNTS GROUPS**

*General Fixed Assets Account Group*

This account group is established to account for all fixed assets of the Village, except those accounted for in the Enterprise Fund.

*General Long-Term Debt Account Group*

This account group is established to account for all long-term obligations of the Village, except those long-term obligations accounted for in the Enterprise Fund.

C. BASIS OF ACCOUNTING

Basis of accounting refers to the time at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

*Governmental Funds*

These funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad Valorem taxes and charges for services are considered "measurable" at the time of billing. Licenses and permits, intergovernmental revenue, franchise taxes and miscellaneous other revenues are generally recorded as revenues when received in cash because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: principal and interest on general long-term debt which is recognized when due.

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT.)**

**C. BASIS OF ACCOUNTING - (CONT.)**

*Proprietary Fund*

This fund is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses are recognized when they are incurred. Enterprise fund receivables are charged-off when collection efforts indicate that such account is doubtful of being collected.

**D. FIXED ASSETS AND LONG-TERM LIABILITIES**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized. Since no accounting records are maintained on infrastructure, these assets are not included in the financial statements.

All fixed assets of the Proprietary Fund are valued at historical cost. The General Fixed Asset Account Group property records are not sufficiently detailed to provide data with respect to whether the assets acquired prior to June 30, 1994, are recorded at historical cost, estimated historical cost, or at estimated fair value on date donated. General fixed assets acquired subsequent to June 30, 1994 are recorded at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations. Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Account Group.

The proprietary fund is accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with its activity is included on its balance sheets. Its reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

**VILLAGE OF GEORGETOWN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONT.)**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT.)**

**D. FIXED ASSETS AND LONG-TERM LIABILITIES - (CONT.)**

For the year ended June 30, 1999, no interest costs were capitalized for construction of fixed assets.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

	<b>Life In Years</b>
Water System	40
Sewer System	40

**E. BUDGETS AND BUDGETARY ACCOUNTING**

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

- (1) The Village CPA prepares a proposed budget based on departmental group budget requests, and submits same to the Mayor and Board of Aldermen for approval.
- (2) The Village does not utilize the budget in comparison form in financial statement presentation during the year.
- (3) All budgetary appropriations lapse at the end of the fiscal year.
- (4) The Village does not utilize encumbrance accounting.

**F. CASH AND INVESTMENTS**

All cash and investments (CD's over 90 days) are reported at cost and are on deposit as following federally insured banks:

It is the Village's policy for deposits to be 110% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Village's deposits are categorized to give an indication of the level of risk assumed by the Village at fiscal year-end. The categories are described as follows:

- Category 1* - Insured or collateralized with securities held by the School or by its agent in the Village's name.
- Category 2* - Collateralized with securities held by the pledging financial institution's trust department or agent in the Village's name.
- Category 3* - Uncollateralized.

<b>Bank</b>	<b>Bank Statement Balance 6-30-99</b>
Southern Heritage Bank	\$ 34,794
Amounts on deposit at the bank are secured by the following:	
<b>Description</b>	<b>Market Value</b>
FDIC (Category 1)	\$ 34,794

**VILLAGE OF GEORGETOWN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONT.)**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT.)**

**G. INVENTORIES**

Immaterial amounts of inventory are maintained for general fund and enterprise fund operations and, accordingly, these supplies are expensed as purchased.

**H. ACCOUNTS RECEIVABLE AND BAD DEBTS - GENERAL FUND AND ALLOWANCE FOR BAD DEBTS - ENTERPRISE FUND**

At June 30, 1999 no reserve for bad debts was required since the estimated uncollectible receivables outstanding were considered immaterial.

	<b>Enterprise Fund</b>		
	<b>General Fund</b>	<b>Water Fund</b>	<b>Sewer Fund</b>
Receivable - Franchise	\$ 2,033	\$ -0-	\$ -0-
Tax	-0-	-0-	-0-
Customer	-0-	2,760	3,420
Allowance for Bad Debts	-0-	-0-	-0-
<b>Total</b>	<b>\$ 2,033</b>	<b>\$ 2,760</b>	<b>\$ 3,420</b>

**I. COMPENSATED ABSENCES**

The Village has no compensated absence policy.

**J. RESERVES**

The Village records reserves to indicate that a portion of its retained earnings/fund balances are legally restricted for a specific future use. The following is a list of such reserves and a description of each:

***Reserved for System Maintenance***

This amount represents monies reserved for repairs and replacement of the water system.

***Reserved - Revenue Bonds***

This amount represents monies reserved as required by the revenue bond indentures.

***Reserved for Debt Service***

Certain assets have been reserved in the Debt Service Fund for future payment of long-term liabilities of the governmental funds.

**K. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW**

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**VILLAGE OF GEORGETOWN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONT.)**

**(2) AD VALOREM TAXES**

The Village levies taxes on real and business personal property located within its boundaries. The Village utilizes the services of the Grant Parish Tax Assessor to assess the property values and prepare the Village's property tax roll. The Village bills and collects its own property taxes.

**Property Tax Calendar**

Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On or About October 15
Total Taxes Are Due	December 31
Penalties and Interest are Added	January 1
Lien Date	January 1

For the year ended December 31, 1999, taxes of 19.19 mills were levied against property having a valuation of some \$450,896 which produced some \$8,630 in revenue.

Ad Valorem Taxes are broken down as follows:

	<b>Mills</b>
Georgetown Debt Service - General Obligation Bonds	5.00
Georgetown Sewer District No. 1 - General Obligation Bonds	5.00
General Alimony	9.19
	-----
<b>Total</b>	<b>19.19</b>

**(3) SALES TAX**

Voters passed a 1% sales tax in February 1991 dedicated to the repair and maintenance of the Village's water system.

**(4) RESTRICTED ASSETS - PROPRIETARY FUND TYPES**

At June 30, 1999, restricted assets of the Enterprise Funds were invested in either interest bearing checking accounts or time deposits and were restricted for the following purposes:

	<b>Water</b>	<b>Sewer</b>
Sales Tax Repair & Maintenance	\$ 3,542	\$ -0-
Tax Bond Sinking	-0-	921
Meter Deposit	3,716	-0-
	-----	-----
<b>Total</b>	<b>\$ 7,258</b>	<b>\$ 921</b>

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**(5) ENTERPRISE FUND PROPERTY PLANT AND EQUIPMENT**

A summary of enterprise fund property, plant and equipment at June 30, 1999, is as follows:

	Balance 6-30-98	Additions (Deletions)	Balance 6-30-99	Accumulated Depreciation 6-30-99
<b>Water</b>				
Distribution System	\$ 678,080	\$ -0-	\$ 678,080	\$ 216,129
Construction in Progress	598,618	-0-	598,618	-0-
<b>Total</b>	<b>\$ 1,276,698</b>	<b>\$ -0-</b>	<b>\$ 1,276,698</b>	<b>\$ 216,129</b>
<b>Sewer</b>				
Plant	\$ 974,558	\$ -0-	\$ 974,558	\$ 237,806

**(6) CHANGES IN LONG-TERM DEBT**

The following is a summary of bond and installment notes payable transactions of Village of Georgetown for the year ended June 30, 1999.

	Balance 6-30-98	Additions	Payments	Balance 6-30-99
General Obligation Bonds	\$ 19,641	\$ -0-	\$ 1,000	\$ 18,641
Installment Note Payable	1,026	-0-	1,026	-0-
Capital Lease Payable	5,738	-0-	3,196	2,542
Lease Purchase Payable	6,205	-0-	6,205	-0-
Revenue Bonds	34,000	-0-	2,000	32,000
<b>Total</b>	<b>\$ 66,610</b>	<b>\$ -0-</b>	<b>\$ 13,427</b>	<b>\$ 53,183</b>

Bond and installment notes payable at June 30, 1999 are comprised of the following issues:

**Revenue Bonds (Enterprise Fund)**

\$ 60,000 Sewer Revenue Bonds dated 1975, due in monthly installments of \$1,000 to \$2,000 through January 1, 2015, interest at 5 percent. \$ 32,000

**General Obligation Bonds (Ad Valorem Tax)**

\$ 36,000 (2 at \$18,000 each) General Obligation Bonds dated 1-1-76 and 1-1-75, due in annual installments of \$1,000 (\$500 each) through 1-1-2015, interest at 5 percent. 18,641

**Notes Payable**

Lease purchase from Ford Motor Credit for the purchase of a 96 Ford Ranger, originated for \$12,258 due in monthly installments of \$290 beginning 4/22/96 through 3/22/00, interest at 6.7% 2,542

**Total** **\$ 53,183**

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**(6) CHANGES IN LONG-TERM DEBT - (CONT.)**

The annual requirements to amortize all debt outstanding as of June 30, 1999, including interest payments of \$30,890 are as follows:

<u>Year Ending June 30,</u>	<u>G.O. Bonds</u>	<u>Sewer Revenue Bonds</u>	<u>Ranger Truck N/P</u>	<u>Total</u>
2000	\$ 1,982	\$ 3,700	\$ 2,542	\$ 8,224
2001	1,982	3,600	-0-	5,582
2002	1,982	3,500	-0-	5,482
2003	1,982	3,400	-0-	5,382
2004	1,982	3,300	-0-	5,282
Thereafter	21,802	29,700	-0-	51,502
<b>Total</b>	<b>\$ 31,712</b>	<b>\$ 47,200</b>	<b>\$ 2,542</b>	<b>\$ 81,454</b>

Under the terms of the bond indenture on outstanding Sewer Revenue Bonds dated 1975, earnings of the sewer system are to be maintained separately and used for the following purposes:

- (a) Payment of all reasonable and necessary expenses of operating and maintaining the system.
- (b) Each month there will be set aside into a fund called the "Sewer Revenue Bond and Interest Sinking Fund" an amount constituting 1/12 of the next principal and interest payment.
- (c) Each month, there will be set aside into a "Sewer Reserve Fund" 5% of the amount paid into the Sinking Fund. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the Sinking Fund.
- (d) There will also be set aside into a "Sewer Depreciation and Contingency Fund" 5% of the amount paid into the sinking fund. These funds will be used to care for depreciation, extensions, additions, improvements and replacements necessary to operate the system properly, and to pay interest and principal on bonds when there is not sufficient money in the Sinking or Reserve Fund.
- (e) All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful purpose.

**(7) CHANGES IN GENERAL FIXED ASSETS**

	<u>Balance 6-30-98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6-30-99</u>
Equipment	\$ 75,694	\$ 6,205	\$ -0-	\$ 81,899
<b>Total</b>	<b>\$ 75,694</b>	<b>\$ 6,205</b>	<b>\$ -0-</b>	<b>\$ 81,899</b>

**(8) LITIGATION**

The Village of Georgetown is involved in no litigation at June 30, 1999, which is not covered by the Village's applicable insurance policies or is considered to be significant to the Village's financial statements.

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**(9) ELECTED OFFICIAL'S SALARIES**

<u>Name</u>	<u>Title</u>	<u>Annualized Salary</u>
David Benard	Mayor	\$ 3,600
John Budemer	Alderman	1,200
Bill Budemer	Alderman	1,200
Ray Williamson	Alderman	1,200
Earl Self Jr.	Police Chief	24,440

**(10) FUND DEFICITS**

The water fund and sewer fund have retained earnings deficits of \$133,422 and \$208,150 respectively because of depreciation taken on that part of the plant constructed with contributed capital. Accumulated depreciation taken on that part of the plant constructed with contributed capital amounted to \$204,129 for the water fund and \$237,806 for the sewer fund.

**(11) EXPENDITURES IN EXCESS OF APPROPRIATIONS**

The general fund overspent its budget by \$51,148 or 53% during the year.

**(12) CONTINGENCIES**

The Village has not determined what affect the year 2000 will have on the Village's computer system or its financial position.

*FINANCIAL STATEMENTS  
OF  
INDIVIDUAL FUNDS  
AND  
ACCOUNT GROUPS*

***GENERAL FUND***

**To account for resources traditionally associated with governments which are not required to be accounted for in another fund.**

VILLAGE OF GEORGETOWN, LOUISIANA  
GENERAL FUND

BALANCE SHEET  
JUNE 30, 1999

ASSETS

Cash	\$ 13,617
Receivables	2,033
	<hr/>
<b>Total Assets</b>	<b>\$ 15,650</b>

LIABILITIES AND FUND BALANCE

**Liabilities**

Accounts Payable	\$ 3,701
	<hr/>
<b>Total Liabilities</b>	<b>\$ 3,701</b>

**Fund Balance**

Unreserved - Undesignated	\$ 11,949
	<hr/>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 15,650</b>

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA  
GENERAL FUND**

**STATEMENT OF REVENUES AND EXPENDITURES  
AND CHANGES IN FUND BALANCES- BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Taxes – Ad Valorem	\$ 5,126	\$ 4,290	\$ (836)
Occupational Licenses	12,184	8,742	(3,442)
Tobacco Tax	2,396	1,476	(920)
Franchise Fees	3,262	4,605	1,343
Miscellaneous Revenue	1,936	1,577	(359)
Fines	72,005	94,824	22,819
Road Maintenance	7,529	8,934	1,405
Grants	-0-	22,832	22,832
Court Services	-0-	7,908	7,908
<b>TOTAL REVENUES</b>	<u>\$ 104,438</u>	<u>\$ 155,188</u>	<u>\$ 50,750</u>
<b>EXPENDITURES:</b>			
Salaries & Benefits	\$ 52,184	\$ 66,977	\$ (14,793)
Police Expense	12,275	33,258	(20,983)
Office Expense	1,672	3,594	(1,922)
Insurance	8,274	9,021	(747)
Truck Expense	687	-0-	687
Utilities	9,020	10,265	(1,245)
Professional Fees	3,866	3,188	678
Town Hall Renovations	1,251	-0-	1,251
Repairs & Maintenance	880	9,601	(8,721)
Other Operating Expense	3,604	2,801	803
Christmas Fund Expense	496	759	(263)
Road Maintenance	1,498	1,191	307
Advertising	525	520	5
Complex Expense	-0-	6,205	(6,205)
<b>TOTAL EXPENDITURES</b>	<u>\$ 96,232</u>	<u>\$ 147,380</u>	<u>\$ (51,148)</u>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 8,206</u>	<u>\$ 7,808</u>	<u>\$ (398)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers Out	\$ -0-	\$ (1,681)	\$ (1,681)
Operating Transfers In	2,108	4,240	2,132
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>\$ 2,108</u>	<u>\$ 2,559</u>	<u>\$ 451</u>
<b>EXCESS (DEFICIT) OF REVENUE &amp; OTHER SOURCES OVER EXPENDITURES &amp; OTHER</b>	<u>\$ 10,314</u>	<u>\$ 10,367</u>	<u>\$ 53</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>-0-</u>	<u>1,582</u>	<u>1,582</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 10,314</u>	<u>\$ 11,949</u>	<u>\$ 1,635</u>

"See Accompanying Notes and Accountant's Report"

***DEBT SERVICE FUNDS***

Public Improvement Bond - Series A - Village Sewer

To accumulate monies for the payment of \$36,000 of Public Improvement bonds issued 1-1-75; and 1-1-76 due in annual installments of \$1,000 (\$500 each) through 1-1-2015; interest at 5.%

**VILLAGE OF GEORGETOWN, LOUISIANA  
DEBT SERVICE FUNDS**

**COMBINING BALANCE SHEET  
JUNE 30, 1999**

	<b>Village of Georgetown</b>	<b>Sewer District No. 1</b>	<b>Total</b>
<b><u>ASSETS</u></b>			
Cash	\$ -0-	\$ -0-	\$ -0-
<b>TOTAL ASSETS</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>			
Fund Balance	\$ -0-	\$ -0-	\$ -0-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA  
DEBT SERVICE FUND**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 1999**

	<u>Village of Georgetown</u>	<u>Sewer District No. 1</u>	<u>Total</u>
<b>Revenues:</b>			
Ad Valorem Taxes	\$ 2,120	\$ 2,120	\$ 4,240
<b>Total Revenue</b>	<u>\$ 2,120</u>	<u>\$ 2,120</u>	<u>\$ 4,240</u>
<b>Expenditures:</b>			
Principal Retirement	\$ 500	\$ 500	\$ 1,000
Interest	595	637	1,232
<b>Total Expenditures</b>	<u>\$ 1,095</u>	<u>\$ 1,137</u>	<u>\$ 2,232</u>
<b>Excess Expenditures Over Revenues Before Operating Transfers</b>	<u>\$ 1,025</u>	<u>\$ 983</u>	<u>\$ 2,008</u>
<b>Operating Transfers:</b>			
Transfer To General	\$ (2,120)	\$ (2,120)	\$ (4,240)
Transfers From Sewer	1,095	1,137	2,232
<b>Total Transfers</b>	<u>\$ (1,025)</u>	<u>\$ (983)</u>	<u>\$ (2,008)</u>
<b>Excess Expenditures Of Revenues After Operating Transfers</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
<b>Fund Balance Beginning of Year</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>Fund Balance End of Year</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

"See Accompanying Notes and Accountant's Report"

***PROPRIETARY FUND TYPE - ENTERPRISE FUNDS***

To account for the operations of the water and sewer systems of the Village that are financed and operated in a manner similar to private business enterprises - where the intent is that the costs (expenses, including depreciation of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**ENTERPRISE FUND**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 1999**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash	\$ 3,426	\$ -0-	\$ 3,426
Receivables:			
Utility Bills	2,760	3,420	6,180
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 6,186</b>	<b>\$ 3,420</b>	<b>\$ 9,606</b>
<b>RESTRICTED ASSETS:</b>			
Sales Tax Maintenance Fund	\$ 3,542	\$ -0-	\$ 3,542
Bond Sinking Fund	-0-	921	921
Meter Deposit Fund	3,716	-0-	3,716
<b>TOTAL RESTRICTED ASSETS</b>	<b>\$ 7,258</b>	<b>\$ 921</b>	<b>\$ 8,179</b>
<b>PROPERTY, PLANT AND EQUIPMENT:</b>			
Property, Plant and Equipment	\$ 1,276,698	\$ 974,558	\$ 2,251,256
Less Accumulated Depreciation	(216,129)	(237,806)	(453,935)
<b>NET PROPERTY, PLANT AND EQUIPMENT</b>	<b>\$ 1,060,569</b>	<b>\$ 736,752</b>	<b>\$ 1,797,321</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,074,013</b>	<b>\$ 741,093</b>	<b>\$ 1,815,106</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>CURRENT LIABILITIES (Payable From Current Assets):</b>			
Accounts Payable	\$ 782	\$ 551	\$ 1,333
Overdraft	-0-	1,332	1,332
<b>TOTAL PAYABLE FROM CURRENT ASSETS</b>	<b>\$ 782</b>	<b>\$ 1,883</b>	<b>\$ 2,665</b>
<b>CURRENT LIABILITIES (Payable From Restricted Assets):</b>			
Accrued Interest	\$ -0-	\$ 802	\$ 802
Revenue Bonds Payable	-0-	-0-	-0-
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 782</b>	<b>\$ 2,685</b>	<b>\$ 3,467</b>
<b>LONG-TERM LIABILITIES:</b>			
Customer Deposits	\$ 8,036	\$ -0-	\$ 8,036
Revenue Bonds Payable	-0-	32,000	32,000
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>\$ 8,036</b>	<b>\$ 32,000</b>	<b>\$ 40,036</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 8,818</b>	<b>\$ 34,685</b>	<b>\$ 43,503</b>
<b>FUND EQUITY:</b>			
<b>CONTRIBUTED CAPITAL</b>			
Municipality and Other	\$ 1,198,618	\$ 914,558	\$ 2,113,176
<b>TOTAL CONTRIBUTED CAPITAL</b>	<b>\$ 1,198,618</b>	<b>\$ 914,558</b>	<b>\$ 2,113,176</b>
<b>RETAINED EARNINGS</b>			
Reserved For System Maintenance	\$ 3,542	\$ -0-	\$ 3,542
Reserved For Revenue Bonds	-0-	921	921
Unreserved	(136,965)	(209,071)	(346,036)
<b>TOTAL RETAINED EARNINGS</b>	<b>\$ (133,423)</b>	<b>\$ (208,150)</b>	<b>\$ (341,573)</b>
<b>TOTAL FUND EQUITY</b>	<b>\$ 1,065,195</b>	<b>\$ 706,408</b>	<b>\$ 1,771,603</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 1,074,013</b>	<b>\$ 741,093</b>	<b>\$ 1,805,106</b>

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN RETAINED EARNINGS**  
**ENTERPRISE FUNDS**  
**YEAR ENDED JUNE 30, 1999**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Charge For Service	\$ 28,000	\$ 25,793	\$ 53,793
Tax	12,036	-0-	12,036
Other Miscellaneous	3,693	343	4,036
<b>TOTAL OPERATING REVENUES</b>	<u>\$ 43,729</u>	<u>\$ 26,136</u>	<u>\$ 69,865</u>
<b>OPERATING EXPENSES:</b>			
Office Supplies	\$ 278	\$ 173	\$ 451
Salaries and Labor	15,440	14,336	29,776
Depreciation	31,913	24,364	56,277
Repairs/Maintenance and Supplies	17,333	6,134	23,467
Utilities	7,106	6,628	13,734
Other Operating Expense	2,197	1,118	3,315
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 74,267</u>	<u>\$ 52,753</u>	<u>\$ 127,020</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ (30,538)</u>	<u>\$ (26,617)</u>	<u>\$ (57,155)</u>
<b>NON-OPERATING REVENUE (EXPENSES):</b>			
Interest Income	\$ 34	\$ 2	\$ 36
Interest Expense	-0-	(1,650)	(1,650)
<b>TOTAL NON-OPERATING REVNEUS (EXPENSE)</b>	<u>\$ 34</u>	<u>\$ (1,648)</u>	<u>\$ (1,614)</u>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<u>\$ (30,504)</u>	<u>\$ (28,265)</u>	<u>\$ (58,769)</u>
Transfers From/To Other Funds	\$ -0-	\$ (551)	\$ (551)
<b>TOTAL TRANSFERS</b>	<u>\$ -0-</u>	<u>\$ (551)</u>	<u>\$ (551)</u>
<b>NET INCOME (LOSS)</b>	<u>\$ (30,504)</u>	<u>\$ (28,816)</u>	<u>\$ (59,320)</u>
<b>RETAINED EARNINGS (DEFICIT), BEGINNING</b>	<u>\$ (102,919)</u>	<u>\$ (179,334)</u>	<u>\$ (282,253)</u>
<b>RETAINED EARNINGS (DEFICIT), ENDING</b>	<u>\$ (133,423)</u>	<u>\$ (208,150)</u>	<u>\$ (341,573)</u>

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA  
COMBINING STATEMENT OF CASH FLOWS**

**ENTERPRISE FUND  
YEAR ENDED JUNE 30, 1999**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<b>Cash From Operations:</b>			
Income (Loss) Before Operating Transfers	\$ (30,504)	\$ (28,265)	\$ (58,769)
Operating Transfers	-0-	(551)	(551)
<b>Net Income (Loss)</b>	<u>\$ (30,504)</u>	<u>\$ (28,816)</u>	<u>\$ (59,320)</u>
<b>Adjustments To Net Income (Loss):</b>			
Add – Depreciation	\$ 31,913	\$ 24,364	\$ 56,277
Decrease In Accrued Interest	-0-	(50)	(50)
Decrease (Increase) In Accounts Receivable	1,029	(1,097)	(68)
Increase (Decrease) In Accounts Payable	188	108	296
<b>Net Adjustments</b>	<u>\$ 33,130</u>	<u>\$ 23,325</u>	<u>\$ 56,455</u>
Cash Provided By Operations	\$ 2,626	\$ (5,491)	\$ (2,865)
Restricted Assets	2,886	6,779	9,665
<b>Total Cash Provided</b>	<u>\$ 5,512</u>	<u>\$ 1,288</u>	<u>\$ 6,800</u>
<b>Cash Was Applied To:</b>			
Revenue Bonds	\$ -0-	\$ 2,000	\$ 2,000
Customer Deposits	1	-0-	1
<b>Total Cash Applied</b>	<u>\$ 1</u>	<u>\$ 2,000</u>	<u>\$ 2,001</u>
<b>Net Increase (Decrease) In Cash Flow</b>	\$ 5,511	\$ (712)	\$ 4,799
<b>Cash Beginning Of Year</b>	<u>(2,085)</u>	<u>(620)</u>	<u>(2,705)</u>
<b>Cash End of Year</b>	<u>\$ 3,426</u>	<u>\$ (1,332)</u>	<u>\$ 2,094</u>

"See Accompanying Notes and Accountant's Report"

**VILLAGE OF GEORGETOWN, LOUISIANA  
MANAGEMENT LETTER COMMENTS**

During the course of my compilation, I observed conditions and circumstances that may be improved. Below are situations noted for improvement, my recommendation for improvement and the Village's response.

**CURRENT YEAR MANAGEMENT LETTER COMMENTS**

**1999-1) BOND RESERVE FUNDS**

*Situation:* Although the Village established a sinking fund for its sewer revenue bonds, it did not establish a reserve fund.

*Recommendation:* The Village's bond agreement requires that each month there will be set aside into a "sewer reserve fund" 5% of the amount paid into the sinking fund or \$15.83. The comment was in last years management letter comments.

*Village's Response:* The Village will begin maintaining a "sewer reserve fund".

**1999-2) BUDGETS**

*Situation:* The Village overspent its general fund budget for the fiscal year ended June 30, 1999 by \$51,148 or 53.2% because revenues exceeded budget by \$50,750 or 48.6% and the office did not budget its grant expenditures. The Village's budget was not amended during the year to take in account an increase in revenues and expenditures as required by the local government budget law. This comment was in the prior year's management letter comments.

*Recommendation:* When revenues fail to meet budgeted revenues or expenditures exceed the budget by 5% or more, the budget should be amended.

*Village's Response:* The Village will began amending its budgets when actual expenditures exceed budgeted expenditures by more than 5%.

**1998-3) DEDICATED AD VALOREM TAXES**

*Situation:* Although the Village's accountant segregated and reported debt service activity of its general obligation bonds for the year ended June 30, 1999, the Village has, in the past, accounted for these activities in the Sewer Fund. This practice prevents the accumulation of a debt service fund balance and the spending of dedicated ad valorem taxes on items other than general obligation bonds. This comment has been mentioned in prior year management letter comments.

*Recommendation:* The Village should deposit ad valorem tax collections dedicated to the debt service of the Village's general obligation bonds into a separate account and pay only principal and interest payments for the Village's general obligation bonds.

*Village's Response:* The Village will establish a debt service fund.

**VILLAGE OF GEORGETOWN  
GEORGETOWN, LOUISIANA**

**MANAGEMENT'S SUMMARY  
OF PRIOR YEAR FINDINGS**

Legislative Auditor  
State of Louisiana  
Baton Rouge, Louisiana 70804-9397

The management of the Village of Georgetown, Louisiana has provided the following action summaries relating to findings brought to their attention as a result of their audit for the year ended June 30, 1998.

**1998-M-1) BOND RESERVE FUNDS (Partially Resolved)**

Although the Town has begun maintaining a sinking fund for its bonds, it has not established a reserved fund or a depreciation fund because finances do not permit the Town to set aside additional monies at this time.

**1998-M-2) BUDGETS (Not Resolved)**

Although the Town prepares a budget at the beginning of each year, it has not been able to determine when the unfavorable budget variance is in excess of 5%, thus when it needs to be amended.

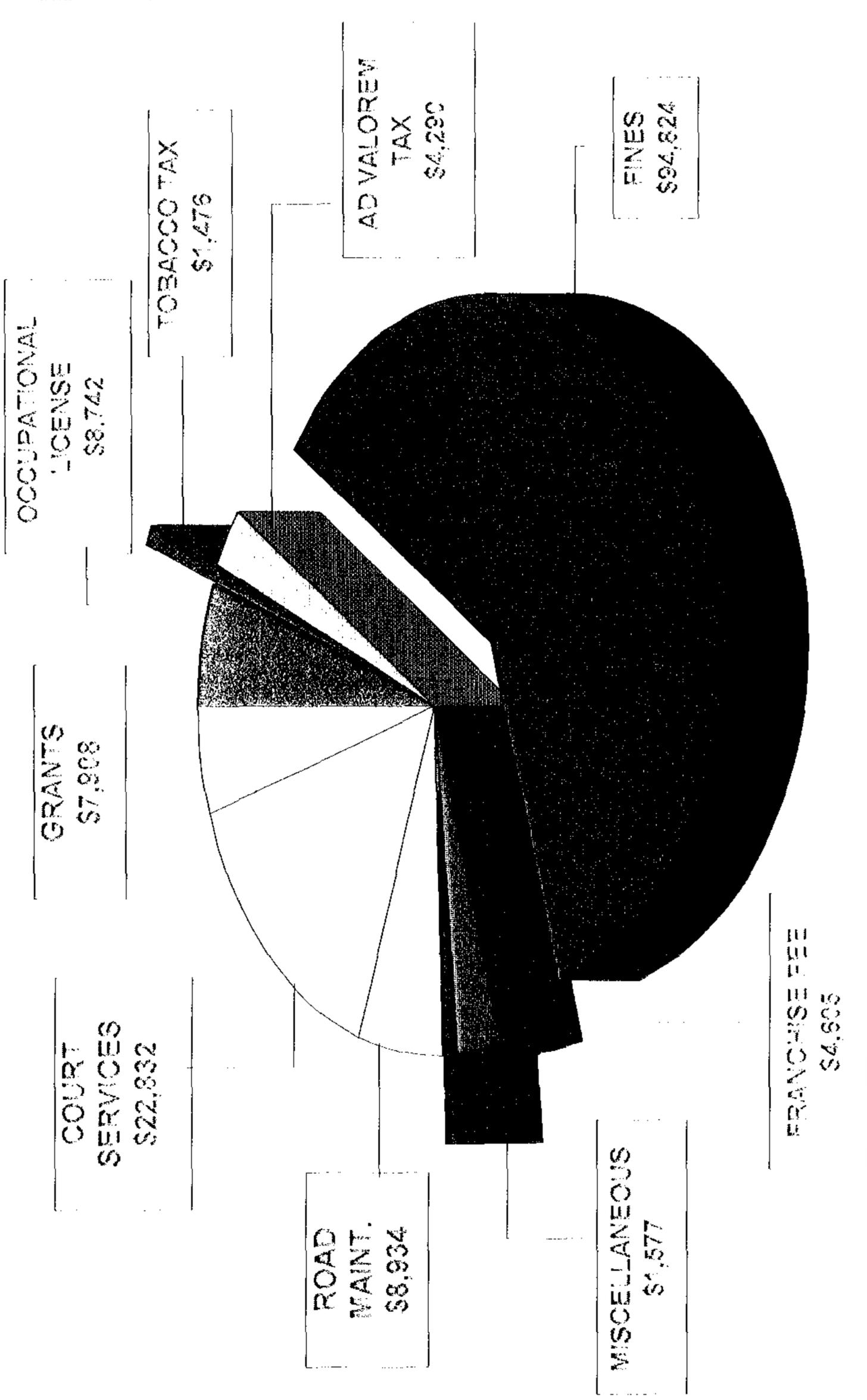
**1998-M-3) DEDICATED AD VALOREM TAXES (Not Resolved)**

The Town has not yet formulated a system to segregate ad valorem taxes dedicated to the Town's general obligation bonds.

## GRAPHS

# VILLAGE OF GEORGETOWN

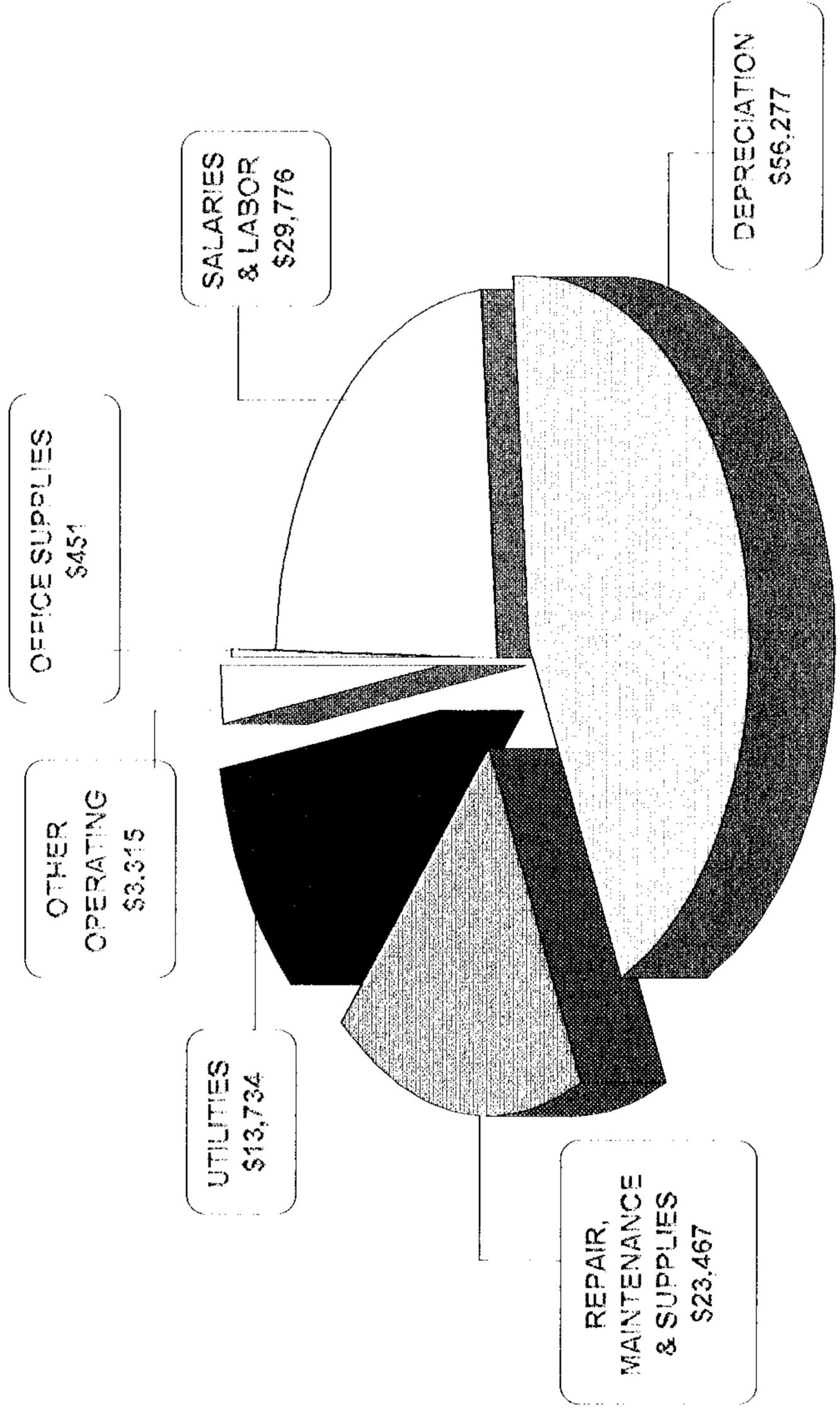
## GENERAL FUND REVENUE JUNE 30, 1999



"See Accompanying Notes and Accountant's Report"

# VILLAGE OF GEORGETOWN

## ENTERPRISE FUND EXPENSES JUNE 30, 1999



# LOUISIANA ATTESTATION QUESTIONNAIRE

October 19, 1999

John R. Vercher, CPA  
210 N. 2<sup>nd</sup> St.  
PO Box 1608  
Jena, La. 71342

In connection with your compilation of our financial statements as of June 30, 1999 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of October 19, 1999.

## **Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [ x ] No [ ]

## **Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [ x ] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [ x ] No [ ]

## **Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [ x ] No [ ]

## **Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [ x ] No [ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [ x ] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [ x ] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [ x ] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [ x ] No [ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [ x ] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

*Delinda Bruce* Secretary 11-13-99 Date

*Delinda Bruce* Treasurer 11-13-99 Date

*W.P. Bond* President 11/13/99 Date